

Table 1. Gabon: Assumptions for the Computation of External Debt Service, 2001

	<u>Interest Rates</u> (In percent)	<u>Exchange Rates</u> (In CFA francs)
Creditors		
African Development Bank	8.00	
World Bank	8.00	
LIBOR	6+7/16	
Currencies		
CFA franc		1.00
Danish krone (DKK)		89.00
Swedish krona (SEK)		79.00
German deutsche mark (DEM)		336.00
Kuwaiti dinar (KD)		2,443.00
Islamic dinar (ISD)		900.00
U.S. dollar (USD)		700.00
Euro (EUR)		656.00
Netherlands guilder (NLG)		298.00
Belgian franc (BEF)		16.30
French franc FRF		100.00
Swiss franc (CHF)		425.00
Italian lira (ITL)		0.34
Pound sterling (GBP)		1,076.00
Spanish peseta (ESP)		3.95
Saudi Arabian riyal (SAR)		175.00
Austrian schilling (ATS)		48.00
Unit of account (UCB)		961.00
Japanese yen (JPY)		7.00
Chinese yuan (YUA)		60.00

Source: General Directorate of Government Accounting, Ministry of Economy, Finance, Budget, and Privatization.

Table 2. Gabon: Fiscal Operations of the Central Government, 2000–01 1/
(In billions of CFA francs)

	2000				2001			
	Prog.	Prel.		Prog.	Mar.	Jun.	Sep.	Dec.
	EBS/00/20	Est.	Est.-prog	BS/00/20	Revised program			
Total revenue and grants	1,098.5	1,207.6	109.1	1,235.1	407.1	721.9	953.1	1,235.1
Revenue	1,098.5	1,207.6	109.1	1,235.1	407.1	721.9	953.1	1,235.1
Oil revenue	699.3	814.7	115.4	760.1	303.9	494.3	613.2	760.1
Non-oil revenue	399.2	392.9	-6.3	475.0	103.2	227.6	339.9	475.0
Direct taxes	84.8	81.9	-2.9	89.3	22.2	49.9	63.3	89.3
Indirect taxes	81.3	80.2	-1.1	90.4	20.0	39.8	62.8	90.4
Taxes on international trade	209.3	214.7	5.4	268.2	54.3	126.4	195.6	268.2
Other revenue	23.8	16.1	-7.7	27.1	6.7	11.6	18.2	27.1
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total expenditure and net lending	763.6	786.1	22.5	745.5	269.6	470.1	700.8	907.1
Total expenditure, excluding interest payments	567.7	574.1	6.4	580.1	139.1	285.1	429.1	580.1
Current expenditure	655.2	674.8	19.5	620.4	250.9	420.1	613.3	782.0
Wages and salaries	216.1	216.6	0.5	217.9	57.7	111.1	164.5	217.9
Purchases of goods and services	129.0	128.3	-0.7	128.6	33.4	66.8	100.2	133.6
Transfers and subsidies	114.2	117.8	3.6	108.5	29.2	57.2	76.8	103.5
<i>Of which</i> : subsidies relating to restructuring	0.0	5.0	5.0	0.0
Interest payments	195.9	212.0	16.1	165.4	130.6	185.0	271.8	327.0
Domestic	25.1	27.8	2.7	24.9	12.0	19.6	26.6	33.1
External (excluding IMF)	170.8	184.2	13.4	140.5	118.5	165.4	245.2	293.9
Capital expenditure	102.1	105.1	3.0	125.1	18.8	50.0	87.6	125.1
Net lending (including equity participation)	6.2	6.2	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance (on a commitment basis)	334.9	421.5	86.6	489.6	137.5	251.8	252.3	328.0
Primary balance (on a commitment basis)	530.8	633.5	102.7	655.0	268.0	436.8	524.1	655.0
Change in payments arrears	-220.8	-276.1	-55.3	-98.5	-8.7	-12.9	-17.1	-51.8
External	-202.3	-201.3	1.0	0.0	0.0	0.0	0.0	0.0
Domestic	-18.6	-74.9	-56.3	-98.5	-8.7	-12.9	-17.1	-51.8
Arrears on interest on domestic debt	0.0	-0.9	-0.9	0.0	0.0	0.0	0.0	0.0
Float (unpaid payment orders at the treasury)	-18.6	-45.9	-27.4	-98.5	-8.2	-12.0	-15.8	-50.1
Other float at the treasury	0.0	-16.5	-16.5	0.0	0.0	0.0	0.0	0.0
Compensation for political violence	0.0	-11.6	-11.6	0.0	-0.5	-0.9	-1.3	-1.7
Overall balance (on a cash basis)	114.1	145.4	31.3	391.1	128.7	238.9	235.2	276.2
Financing	-114.1	-145.4	-31.3	-391.1	-128.7	-238.9	-235.2	-276.2
External (net)	50.4	160.2	109.8	-183.4	-103.9	-132.9	-210.0	-238.1
Drawings	20.0	22.7	2.7	20.0	5.0	10.0	15.0	20.0
Project financing	20.0	22.7	2.7	20.0	5.0	10.0	15.0	20.0
Program financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	-208.5	-242.1	-33.6	-190.4	-119.0	-157.3	-243.6	-281.0
Arrears (reduction -)	-270.1	-271.6	-1.5	-30.0	0.0	0.0	0.0	0.0
Foreign exchange effect on arrears/								

unexplained external debt payments	0.0	-9.3	-9.3	0.0	0.0	0.0	0.0	0.0
Debt rescheduling	492.0	649.5	157.5	0.0	0.0	0.0	0.0	0.0
Debt cancellation	17.0	17.0	0.0	17.0	4.3	8.5	12.8	17.0
Advance external debt payment	0.0	-5.9	-5.9	0.0	5.9	5.9	5.9	5.9
Domestic (net)	-164.5	-305.7	-141.1	-207.8	-24.9	-106.0	-25.2	-38.2
Banking system	-91.6	-175.4	-83.8	-167.0	-13.6	-80.9	11.0	0.0
Banque des Etats de l'Afrique Centrale	-25.3	-59.9	-34.6	-151.7	-9.9	-73.3	22.4	15.1
Commercial banks	-66.4	-115.5	-49.2	-15.3	-3.8	-7.6	-11.3	-15.1
Nonbank sources	-72.9	-130.3	-57.4	-40.8	-11.2	-25.1	-36.3	-38.2
Domestic debt	-82.2	-115.0	-32.8	-35.8	-12.1	-26.3	-39.3	-40.7
Oil company advances (net)	-38.0	-36.4	1.6	0.0	0.0	0.0	0.0	0.0
Debt DGCP	-44.2	-72.1	-27.9	-35.8	-11.1	-24.3	-36.3	-35.7
Securitized commercial agreements	-40.3	-62.9	-22.6	-31.7	-9.6	-21.0	-31.4	-30.8
Other (<i>divers</i>) 2/	-3.9	-9.1	-5.2	-4.2	-1.5	-3.3	-4.9	-4.8
Debt at treasury	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regularization of civil servants' salaries (<i>rappels</i>) 3/	0.0	-6.5	-6.5	0.0	-1.0	-2.0	-3.0	-5.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in domestic arrears (on principal; - = reduction)	0.0	-2.0	-2.0	0.0	0.0	0.0	0.0	0.0
Restructuring cost 4/	-4.0	-5.5	-1.5	-15.0	-3.5	-7.5	-10.1	-13.4
Privatization proceeds	13.3	4.0	-9.3	10.0	4.4	8.8	13.1	17.5
Other	0.0	-11.8	9.3	0.0	0.0	0.0	0.0	-1.6
Treasury correspondents	0.0	-4.7	-4.7	0.0	0.0	0.0	0.0	0.0
<i>Collectivités locales</i> 5/	0.0	-10.5	-10.5	0.0	0.0	0.0	0.0	-1.6
Cancellation of domestic debt	0.0	22.7	22.7	0.0	0.0	0.0	0.0	0.0
Checks written not cashed at treasury	0.0	1.8	1.8	0.0	0.0	0.0	0.0	0.0
Errors and omissions	0.0	-21.1	0.0	0.0	0.0	0.0	0.0	0.0
Financing gap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:								
Cumulative variation in net bank credit to the government from January 1, 2000	-91.6	-175.4	-83.8	-258.6	-189.0	-164.7	-247.6	-175.4
Actual payments for external debt (excluding advance external debt service payment of CFAF 5.9 billion, and excluding IMF)	342.7	242.0	-100.7					

Sources: Gabonese authorities; and staff estimates and projections.

1/ Cumulative data from the beginning of the calendar year.

2/ The preliminary estimate for amortization of domestic debt in 2000 includes CFAF 5.9 billion for Air Gabon and CFAF 3.3 billion for CNSS; the projections as well as the initial program for 2001 include CFAF 4.2 billion for SEEG in 2001; the revised program for 2001 also includes CFAF 0.7 billion to CNSS.

3/ The inclusion of payments on "regularization of civil servants' salaries" under domestic financing rather than in the primary balance applies only to obligations incurred before 2001. Any such obligation incurred after 2000 will be considered as expenditure on wages.

4/ Restructuring costs refer to social costs of privatization and voluntary departures (see TMU).

5/ *Collectivités locales* consist of CFAF variations in local entities' account balances (CFAF 3.6 billion in 2000) and *Fonds d'équipement* (CFAF 6.9 billion in 2000 and CFAF 1.6 billion in 2001).

Table 3. Gabon: Tracking of Domestic Arrears 1/
(In billions of CFA francs)

	1999	2000 Est.
1. Source: Treasury		
Float (stock)	189.2	143.2
Payment orders at the treasury	184.5	150.8
Cross-debts	4.7	-7.6
Variation in stocks (1)		-45.9
Other treasury accounts	60.5	44.0
Consignments	43.7	37.9
Accounting officers	9.7	3.1
Installments to be allocated	7.0	3.1
Variation in other treasury accounts (2)		-16.5
Total stock of float	249.7	187.3
Total variation in stocks (a) = (1) + (2) = (b) + (c)		-62.4
Implicit change in the stock of the float of the current year (b)		107.6
Payment on old stock of payment orders at the treasury (c)		-170.0
Total stock left pertaining to previous year		14.4
Total stock in previous year		184.5
2. Source: <i>Tableau intégré</i>		
Variation in the float derived from flows (a') = (b') + (c')		34.7
Implicit change in the stock of the float of the current year (b')		164.9
Payment ordered (<i>ordonancement</i>)		323.6
Payment		158.7
Goods and services		82.1
Payment ordered (<i>ordonancement</i>)		128.3
Payment		46.2
Transfers and subsidies		25.8
Payment ordered (<i>ordonancement</i>)		112.9
Payment		87.1
Public investment		57.0
Payment ordered (<i>ordonancement</i>)		82.4
Payment		25.4
Payment of float from previous year (c')		-130.2
3. Reconciliation treasury— <i>Tableau intégré</i>		
Total variation in stocks—discrepancy (a) - (a')		-97.1
Implicit change in the stock of the float of the current year—discrepancy (b) - (b')		-57.3
Payment on old stock of payment orders to the treasury—discrepancy (c) - (c')		-39.8
Memorandum items:		
Commitments not payment ordered (<i>instances au Budget</i>)		0.0
Commitments (<i>engagement ajuste</i>)		323.6
Goods and services		128.3
Transfers and subsidies		112.9
Public investment		82.4
Payment ordered (<i>ordonancement</i>)		323.6
Goods and services		128.3
Transfers and subsidies		112.9
Public investment		82.4

Sources: *Tableau intégré*; *Tableau de bord budgétaire*; and staff estimates and projections.

1/ Tracking to be done on a monthly basis in the future.

Table 4. Gabon: Structural Benchmarks for 2000–01

Structural Measures	Date—Initial Program	Implementation Status	Date—Revised Program
Public finance			
1. Framework letter for preparation of the Budget Law for 2001 in line with the macroeconomic program for 2001.	July 31, 2000	Completed	
2. Preparatory work on transforming the current land taxation system into a land tax in the context of the land tenure reform.	Second half of 2000	In progress	
3. Discussion of the draft Budget Appropriations Act for 2001 with IMF staff prior to its submission to parliament	September/October 2000	Completed	
4. Annual review of public investment projects with assistance from the World Bank.	June/July 2001		
Government enterprise sector			
1. Post and Telecommunications Office (OPT)			
• Separation of the OPT into two distinct entities: Gabon Poste and Gabon Télécom.	September 30, 2000	Not completed	
• Appointment of the liquidator for the OPT and of provisional managers for Gabon Poste and Gabon Télécom.	September 30, 2000	Not completed	
• Definitive allocation of OPT assets and personnel to the new entities, Gabon Poste and Gabon Télécom.	December 31, 2001	Deferred	During 2002
• <i>Invitation to bid for the privatization of Gabon Télécom.</i> ^{1/}			December 31, 2001
2. AGROGABON			
• Invitation to bid in the privatization (in the form of sale of assets, plantation operation and concessions).	September 30, 2000	Bid launched in May 2000, but unsuccessfully	
3. HEVEGAB			
• <i>Choice of provisional contractor for the privatization of HEVEGAB.</i> ¹			October 31, 2001
4. Gabon Forestry Company (CFG)			
• Finalization of the report appraising the study on the legal situation and the study on enhancing its value.	September 30, 2000	Completed behind schedule in February 2001	
• Invitation to bid in the privatization.	December 31, 2000	Not completed; new management contract signed with foreign firm	
• Selection of provisional contractor.	June 30, 2001		

Table 4. Gabon: Structural Benchmarks for 2000–01

Structural Measures	Date—Initial Program	Implementation Status	Date—Revised Program
5. Air Gabon			
• Adoption by the Interministerial Privatization Committee of the privatization arrangement based on the restructuring plan drawn up on June 30, 2000.	December 31, 2000	Not completed; technical assistance contract signed with external partner	
• Implementation of the privatization arrangement.	March 31, 2001	Deferred and redefined	
• <i>Decision on the privatization arrangement.</i> ¹			<i>December 2001</i>
• Invitation to bid in the privatization.	January 31, 2002	Deferred	
6. Other public enterprises			
• SMAG, PIZOLUB-SOGAFUTS, SNAT, AGRIPOG: divestiture of the State's share.	December 31, 2000	Not completed	During 2001
• National Navigation Company (CNI)			
- Adoption of a privatization timetable; and	December 31, 2000	Not completed; however, a consultant has been recruited to conduct a study	
- Invitation to bid.	March 31, 2001	Deferred	December 31, 2001
• SOGADEL and Gabon Informatique: initiate court-ordered liquidation.	December 31, 2000	Completed	
• SIAEB: liquidation.	December 31, 2001		
• Gabon Office of Ports and Roads (OPRAG)/Port of Owendo			
- Finalization of strategic study.	December 31, 2000	Not completed; consultant selected in January 2001	
- Invitation to bid for the Owendo port concession.	June 30, 2001	Modified	
- <i>Selection of strategic investor.</i> ¹			<i>December 31, 2001</i>

Table 4. Gabon: Structural Benchmarks for 2000–01

Structural Measures	Date—Initial Program	Implementation Status	Date—Revised Program
Reform of the legal and regulatory framework			
1. Forestry and timber sector: resubmission of the Forestry Code to Parliament.	December 31, 2000	Completed; Forestry Code adopted by the National Assembly; being reviewed by Senate	
2. Labor: resubmission of the Labor Code to Parliament.	July 31, 2000	Completed; Code promulgated in October 2000	
3. Commerce			
• Introduction of a single window for all formalities related to establishing a business.	September 30, 2000	Not completed; structure not yet functional	
• Preparation by the government of a draft Commercial Code, in line with the Investment Charter and the Uniform Acts of OHADA.	December 31, 2000	In progress	
4. Land tenure reform			
• Reform of existing system, including the introduction of a land tax registry.	September 30, 2001		
• Adoption of measures to facilitate access to land ownership.	September 30, 2001		
Administrative reform/civil service reform			
• Harmonization of civil service roster and payroll roster.	March 31, 2001	In progress	
• Adoption by the government and submission to parliament of a new General Statute of the civil service, a new General Statute for regular government employees, and a new General Statute for contractual government employees.	June 30, 2001	In progress	
• Strict observance of objective criteria in applying Article 23 of the General Statute of the Civil Service.	Throughout the period of the Stand-by Arrangement	Met	

Table 4. Gabon: Structural Benchmarks for 2000–01

Structural Measures	Date—Initial Program	Implementation Status	Date—Revised Program
Governance			
• <i>Completion of the financial audit of the oil companies for fiscal years 1999 and 2000 by the Joint Commission (Ministry of Finance and Ministry of Mining).</i> ¹			<i>End-September 2001</i>
• <i>Presentation to Parliament of a Code of Ethics for the Gabonese central administration, including the members of the government.</i> ¹			<i>December 31, 2001</i>
Reform of the social security system			
• Turn to private management of the hospital branch of the National Social Security Fund (CNSS) :			
- Study of the hospital branch; and	September 30, 2001		
- Adoption of a timetable for the concession of management to independent operators.	December 31, 2001		
Foreign trade regime			
• Reduction in the maximum common external tariff applicable to imports.	In line with CEMAC schedule		
Poverty reduction			
• Publication of the provisional school allocation and health allocation maps (based on existing data) and completion of a study of unit costs in primary and secondary education.	March 31, 2001	In progress	
• Finalization and publication of the results of the population and health survey.	June 30, 2001		
• Adoption of an overall poverty reduction strategy.	December 31, 2001	In progress; creation of the Poverty Reduction Committee	
Statistics			
• Strengthening of the unit responsible for preparing balance of payments statistics, and especially those of the oil sector.	Throughout the period of the Stand-by Arrangement	In progress	
• Submission to parliament of the revised Statistics Law	September 30, 2001		
• Adherence to the General Data Dissemination System (GDDS).	December 31, 2001		

¹New structural benchmarks.

Table 5. Gabon: Summary of Reporting Requirements

Status	Variable or Table	Reporting Frequency	Reporting Delay from End of Period Covered	Report Data Electronically
A. Monetary				
PC	Net bank credit to central government	Monthly	Four weeks	Yes
Table	Balance sheet of the BEAC	Monthly	Four–six weeks	Yes
Table	Summary balance sheet of the commercial banks; monetary survey	Monthly	Four–five weeks	Yes
Table	Interest rates	Monthly	Four weeks	Yes
Table	Detailed monthly situations of the commercial banks	Monthly	Four weeks	Yes
Table	Details of public sector deposits with individual commercial banks	Quarterly	Four weeks	Yes
Table	Details of commercial banks' compliance with COBAC regulations, banks' soundness indicators	Monthly	Four weeks	Yes
B. Debt				
PC	New external government borrowing in foreign currency (by creditor) and CFAF, and terms (interest rate, maturity, grace)	Monthly	Four weeks	Yes
PC	Stock of short-term external government debt, in foreign currency (by creditor) and CFAF, and terms (interest, maturity, grace)	Monthly	Four weeks	Yes
C. Fiscal				
PC, Tables (2)	Fiscal data (complete TOFE), and <i>tableau intégré</i>	Monthly	Four weeks	Yes
PC, Table	Domestic arrears (Table 3 of TMU)	Monthly	Four weeks	Yes
PC	External arrears in foreign currency (by creditor) and CFAF	Monthly	Four weeks	Yes
Tables (4)	Detailed Tables on revenue; expenditure; wage bill; and stock of <i>instances au trésor</i>	Monthly	Four weeks	Yes
Table	Details of external debt by creditor: amounts due and amounts paid (in CFAF) both evaluated at the exchange rate of the relevant period.	Monthly	Four weeks	Yes
Table	Details of domestic debt: amounts due and amounts paid (all domestic debt: DGCP, treasury, back pay (<i>rappels</i>), other)	Monthly	Four weeks	Yes

Table 5. Gabon: Summary of Reporting Requirements

Status	Variable or Table	Reporting Frequency	Reporting Delay from End of Period Covered	Report Data Electronically
D. Structural reforms				
Table	Matrix with details on the status on all structural performance criteria and benchmarks, with detailed explanations for any breached criteria or benchmarks and plan of action to correct for delays.	Quarterly	One week	Yes
E. Civil service				
OV	Size of the civil service by category (permanent, contractual, military/non-military)	Quarterly	Three weeks	
F. Balance of payments				
Table	Exports and imports (volumes, prices for main categories)	Monthly	Four weeks	Yes
Table	Detailed Balance of Payments	Quarterly	Four weeks	
G. Prices				
OV	CPI (<i>flash</i>) reporting: food products, clothing, housing, hygiene, transport, leisure and other)	Monthly	Four weeks	Yes
OV	Production indicators	Monthly	Four weeks	Yes

PC = performance criterion or quantitative benchmark;

QI = quantitative indicator;

OV = other variable.

Table 6. Gabon: Numerical Example of the Adjusters

	Example 1	Example 2	Comments to example 2
Primary balance			
Unadjusted criteria	100	100	Asymmetric adjuster: adjusted downward by 50 percent of shortfall
Adjustment for higher/lower oil revenues	40	-30	Maximum downward adjustment is CFAF 30 billion (1 percent of GDP)
Difference in oil revenues compared to program	40	-40	
Program	100	100	
Actual	140	60	
Adjusted criteria	140	70	
Net bank credit to the government			
Unadjusted criteria	100	100	
Contribution to adjustment for higher/lower oil revenues	-30	30	
Difference in oil revenues compared to program	30	-30	
Program	100	100	
Actual	130	70	
Contribution to adjustment for higher/lower reduction in domestic arrears	-20	20	
Difference in reduction in domestic arrears compared to program	-20	20	
Program	50	50	
Actual	30	70	
Contribution to adjustment for higher/lower net external financing	-20	20	
Difference in net external financing compared to program	20	-20	
Program	50	50	
Actual	70	30	
Total contribution to adjustments for higher/lower oil revenues, reduction in domestic arrears, and external financing.	-70	70	Asymmetric adjuster: adjusted upward by 50 percent of shortfall except for privatization proceeds
Adjustment before taking into account higher/lower privatization proceeds	-70	30	Maximum upward adjustment is CFAF 30 billion (1 percent of GDP)
Contribution to adjustment for higher/lower privatization proceeds	-20	20	Symmetric adjuster
Difference in privatization proceeds compared to program	20	-20	
Program	30	30	
Actual	50	10	
Total adjustment	-90	50	
Adjusted criteria	10	150	